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Underwriting Standards

Underwriting Standards		
Project Reserves	1 Rent-up 2 Operating	4 months of debt service, operating expenses & reserve deposits
Replacement Reserves		New Construction: Family: \$300 per unit Elderly: \$250 per unit Rehab: \$300 per unit
Annual Trending Factors	Income Expenses Replacement Reserves	2.00% 3.00% 2.00%
Other	Vacancy Rate	5.00%
	Debt Service Coverage Ratio	RHS 1.05 All others 1.1

Operating Costs Distressed Area Standards			
	Low	High	Medium
Administrative Costs	540	1,127	825
Operating Costs	206	562	402
Maintenance	686	1,371	924
Fixed Expenses	223	894	533

Operating Costs All Other Area Standards			
	Low	High	Medium
Administrative Costs	542	1,165	725
Operating Costs	188	595	371
Maintenance	487	1,269	843
Fixed Expenses	219	1,315	636